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# Utility News

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## Rate Changes Approved for Water, Wastewater and Electric

The City Council approved rate changes for water, wastewater and electric at its October 3rd meeting. For your usage in January 2006, your electric rates will increase by approximately 5%, wastewater charges will rise 5%, and water rates will increase 3%. These changes will be reflected in your statement starting in February 2006. The following is a summary of the rate changes by utility:

**Electric Rates**—Electric rates will increase an average of 5%. The increase will affect users differently depending on the class of user. The fixed service charge for residential customers will remain at \$6. The rate increase per kilowatt hour went from \$0.08620 to \$0.09051. The average increase in cost per month is \$3.98. The increase in the rate is due to the rising cost of purchasing power and ensuring funding to pay for future improvements that are necessary to properly maintain the system.

**Wastewater Rates**—Wastewater rates will be increasing 5%. The monthly service charge will increase from \$7.35 to \$7.72. The usage charge will go from \$4.68 per thousand gallons to \$4.91 per thousand gallons of water used. The average increase for a residential wastewater customer is \$2.21 per month. The increase in the rate will go to fund projects, such as replacement of lines and manholes. It will also fund larger projects like the replacement of the aging Bull Creek Wastewater Plant with a lift station.

**Water Rates**—Water rates will be increasing 3%. The monthly service charge will increase from \$8.27 per month to \$8.52 and the cost for the first 40,000 gallons of water will go from \$3.75 per thousand gallons to \$3.86 per thousand gallons. The average increase for a residential water customer is \$1.15 per month. Increased cost for water are necessary to cover rising cost to treat the water as well as improvements to the system, including a new water tower to be built near 159th and Waverly. This new tower will improve water pressure in the system as well as add storage capacity.

## What is in your electric rate? How is it different from other Metro Communities?

**How are electric rates calculated?** The City of Gardner calculates electric rate costs based on cost to produce and purchase electricity, cost to distribute electricity, and cost to provide meter reading and customer service. The City has established different classes of customers based on the demand they place on the system. Industrial customers are charged a higher rate than residential customers because industries place greater capacity needs on the system than residences. The City also uses a fuel factor charge which varies based on market rates for wholesale power purchased primarily from KCP&L, which is the City's primary outside power supplier. The fuel factor is based on a 12 month rolling average of the actual cost to purchase power vs. the City's projected base cost to purchase the power. The City must use this fuel factor charge to absorb increases in fuel costs overtime. The last two years the City has seen increased cost to purchase energy beyond projections, which is not only happening to the City, but also for natural gas and at the pump.

**Why is my electric bill higher than neighboring KCP&L customers?** The City of Gardner charges electrical customers for several items that are not on KCP&L bills. For example, street lighting, City buildings, parks, pools, and athletic facilities energy usage costs are not included in their KCP&L bill. Rather, KCP&L customers pay for municipal energy usage through their property tax bills. This alone accounts for a significant portion of the difference in the rates between the two utilities. KCP&L customers pay a 5% franchise fee that goes to the local government and Gardner electric customers currently pay 11%, with plans to lower this to 5% incrementally over the next 5 to 7 years. Additionally, Gardner is a smaller utility and does not benefit from some of the economies of scales that KCP&L does as a large corporation.

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**SEASONAL EMPLOYMENT OPPORTUNITIES-** The City of Gardner will be accepting applications for seasonal positions with the Parks and Recreation Department for the 2006 summer season through February 1st, 2006. **Positions include:**



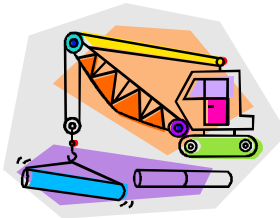
- Pool Manager
- Assistant Pool Manager
- Concessions Manager
- Swimming Lesson Coordinator
- Concessions Workers
- Facility Supervisor
- Park Maintenance Seasonal
- Umpires
- Scorekeepers
- Lifeguards
- Pool Cashiers



**[www.gardnerkansas.com](http://www.gardnerkansas.com)** for job listing and application form

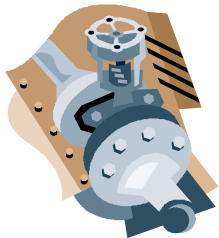
### **Design Work Continues For New Lift Station at Bull Creek Wastewater Treatment Site**

Design work continues to move forward to convert the aging Bull Creek Wastewater Treatment facility located off of Meadowbrook Circle, north of the railroad tracks, to a lift station that will connect to the Kill Creek Wastewater Treatment Plant. The Bull Creek Wastewater Treatment plant originally served all of Gardner, however, due to population growth the new Kill Creek Wastewater Treatment Plant was opened near 159th Street and Waverly Road in 2002. The Kill Creek Treatment Plant can now serve 25,000 people with expansion capability up to a population of 75,000. The Bull Creek facility is in need of major repairs or replacement, and after a study, it was determined that replacing the Bull Creek Plant with a lift station was the best long term solution. This is anticipated to reduce day to day wastewater operating cost for the City of Gardner.



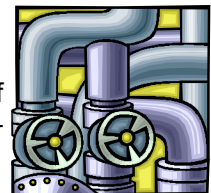
### **New North Lift Station Project to be Bid**

The City will be seeking bids for construction of the new North Lift Station in January. After an award of the construction contract, the project is estimated to take nine to ten months to complete. The estimated cost for construction is \$4.7 million. This lift station services a majority of Gardner and will complete a series of major improvements to the wastewater system, which include the new East Lift Station and Bull Creek Lift station.



### **Water Main Extension Underway Along Moonlight, 167th, Madison and Center Streets**

A contractor has begun to connect gaps in the existing water main system. This is part of a series of improvements that will create better pressure for the water system and complete loops that are needed for improved circulation.



### **New City Website To Be Unveiled in February**

The City of Gardner will be rolling out a new website and website address in February 2006. Please watch for information on the new website in the February edition of the Utility News. The current site [www.gardnerkansas.com](http://www.gardnerkansas.com) gives way to an improved website to meet the needs of Gardner's residents and businesses. The current site will route you to the new site once it is online. *This is important to note if you use the online utility payment service.* If you have questions, please feel free to contact Melissa Mundt, Assistant City Administrator at [mmundt@gardnerkansas.com](mailto:mmundt@gardnerkansas.com).

